

HOTEL ROOM REVENUE			
Revenue Description	Taxable Yes or No	Tax Type	Additional Comments
1. Transient Rooms Revenue	Yes	Hotel Occupancy	State hotel occupancy tax is 6%. Cities and counties may impose additional local hotel taxes that are administered and collected by the local taxing authorities.
2. Guaranteed No Show Revenue	Yes*	Hotel Occupancy	Hotel tax is due when the full room rate is paid and cancellation is within 30 days of the scheduled stay. *Fees paid that are less than the room rate are not taxable, such as a percentage or sliding scale .
3. Complimentary Rooms Provided at No Charge:			
a. Guests	No	Hotel Occupancy	Complimentary room means the hotel receives no consideration for the room.
b. Employees	No*	Hotel Occupancy	Hotel receives no consideration for the room. *An internal transfer of funds for the use of a room is not taxable.
c. Travel Agents, Advertisers, etc.	No*	Hotel Occupancy	Hotel receives no consideration for the room. *The barter or trade for a room is taxable.
4. Early Departure Fee	No*	Hotel Occupancy	Early departure fees are not taxable, *unless equal to the room rate (see Guaranteed No Show Revenue).
5. Late Departure Fee	No*	Hotel Occupancy	Late departure fees are not taxable, *unless equal to the room rate (see Guaranteed No Show Revenue).
6. Cancellation Fees: A fee received because an event was cancelled	No*	Hotel Occupancy	Cancellation fees are not taxable, *unless equal to the room rate and cancellation is within 30 days of the scheduled stay (see Guaranteed No Show Revenue).
7. Attrition/Fees: Fee charged because group did not fulfill their total event commitment (Example: an event blocked 200 rooms, only 150 were rented and occupied, penalty charged for 50 rooms not rented).	Yes*	Hotel Occupancy	Attrition fees are taxable only if by paying the fee a person achieves the right to use or possess the room. In the example given, the group is charged the full price of rooms not rented and, therefore, the fee is taxable. *An attrition fee, however, that is based on a percentage or sliding scale is not taxable (see Guaranteed No Show Revenue).
8. Packages (example: golf, honeymoon, ski)	Yes	Sales, Hotel Occupancy, or Mixed Beverage	When the guest folio is lump sum the entire amount is subject to hotel tax; when the folio separately states the room charge from the other package items, only the room charge is subject to hotel tax. The other separately listed package items may be subject to different taxes, such as sales or mixed beverage. Rule 3.162 (a)
9. Rooms for resale sold to:			
a. Tour operators	Yes	Hotel Occupancy	Texas hotel tax laws do not have a resale provision. Persons who resell hotel rooms and agents who obtain hotel rooms on behalf of customers pay tax to the hotel. [For information on tax responsibilities of persons who obtain rooms for others, see STAR documents 200212648L & 200208379L.]
b. Meeting planners	Yes	Hotel Occupancy	Texas hotel tax laws do not have a resale provision. Persons who resell hotel rooms and agents who obtain hotel rooms on behalf of customers pay tax to the hotel. [For information on tax responsibilities of persons who obtain rooms for others, see STAR documents 200212648L & 200208379L.]

c. Others who resale rooms	Yes	Hotel Occupancy	Texas hotel tax laws do not have a resale provision. Persons who resell hotel rooms and agents who obtain hotel rooms on behalf of customers pay tax to the hotel. [For information on tax responsibilities of persons who obtain rooms for others, see STAR documents 200212648L & 200208379L.]
10. Banquet/Meeting Room Revenue (No Meals Served)	Yes*	Hotel Occupancy	When located inside the hotel (building with sleeping rooms), collect the 6% state hotel tax. Local hotel taxes are only imposed on sleeping rooms. *When located in a separate building than the hotel, do not collect hotel tax. Rule 3.162(b)
11. Banquet/Meeting Room Revenue (Meals Served)			
a. Room located inside hotel (building with sleeping rooms) - Separately stated	Yes	Hotel Occupancy & Sales	Collect sales tax on the charge for food; collect the 6% state hotel tax (not local) on the charge for the banquet/meeting room. Rule 3.293(j) & 3.162(b)
b. Room located inside hotel (building with sleeping rooms) - Lump sum billing	Yes	Hotel Occupancy	Collect the 6% state hotel tax (not local) on the lump-sum charge. Rule 3.162(b) & 3.293(j)
c. Room located in separate building than hotel - Separately stated or lump sum	Yes	Sales	Collect sales tax on the room charge, even when separately stated. Rules 3.293(h)
d. Alcoholic beverages are served	Yes	Mixed Beverage	The sale and service of alcoholic beverages is subject to either mixed beverage gross receipts tax or sales tax, depending on the type of permit held by the hotel (see Food & Beverage Section). On lump sum charge by a mixed beverage permittee, the permittee owes mixed beverage tax on the portion attributable to the sale or service of alcoholic beverages. Rule 3.1001(c)
12. Pet Charges	Yes	Hotel Occupancy	Hotel tax is due on all charges for items or services, other than personal services or the use of a telephone, that are furnished in connection with the actual occupancy of the a room. This would include pet charges. Rule 3.162(a)
13. Pet Cleaning Fees	Yes	Hotel Occupancy	Hotel tax is due on charges for cleaning and readying a room for occupancy. Rule 3.162(a)
14. Child Care Expenses	No	Hotel Occupancy	Hotel tax is not due on separately stated charges for personal services, except those related to cleaning and readying a room for occupancy. A child care service is a personal service and not taxable. Rule 3.162(a)
15. Rollaway Bed Charges	Yes	Hotel Occupancy	Hotel tax is due on all charges for items or services, other than personal services or the use of a telephone, that are furnished in connection with the actual occupancy of the a room. This would include charges for additional beds. Rule 3.162(a)
16. Refrigerator Charges	Yes	Hotel Occupancy	Hotel tax is due on all charges for items or services, other than personal services or the use of a telephone, that are furnished in connection with the actual occupancy of the a room. This would include charges for in-room refrigerators. Rule 3.162(a)
17. Safe Charges	Yes	Hotel Occupancy	Hotel tax is due on all charges for items or services, other than personal services or the use of a telephone, that are furnished in connection with the actual occupancy of the a room. This would include charges for in-room safes. Rule 3.162(a)